operations in the Terminal Building with facility for provision of aerobridges and accordingly, the drawings etc. are being modified suitably. The Terminal Building is also capable of handling limited international operations and Haj flights are being operated from this airport.

(b) Declaration of an airport as international airport will depend upon traffic potential and demand from airlines for operation of international flights. At present, there is no proposal to declare any airport as international airport.

Rate of interest on small savings

*312. SHRI SOLIPETA RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that an expert Committee set up by Government recommended further slashing the rates on small saving schemes as well as eliminating various tax exemptions;

(b) if so, the details thereof and the saving schemes likely to be affected; and

(c) the steps being taken by Government to save the depositors from loss?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) to (c) The Expert Committee on adminstered interest rates and other related issues, set up under the chairmanship of Dr. Y.V. Reddy, Deputy Governor of Reserve Bank of India has, *inter-alia*, recommended that the present system of direct management of long term funds by the public sector and fixing administered rates of interest with tax concessions not being sustainable in the medium term, should be transformed into a system of fully funded long term savings schemes managed independently and professionally, aimed at promoting growth and meeting genuine investment demands in the economy. In the transition period, as an interim measure, interest rates on small savings schemes be benchmarked mainly to the rates of average secondary market yields on Government securities. The Committee has also recommended the withdrawal of all tax concessions on short and medium term financial savings (maturity not more than 6 years); also as tax incentives are thus to be withdrawn

from short and medium-term instruments, conversion of these savings into long-term savings may be allowed at the option of the investors, without any penalty, within a stipulated time. With regard to long term savings, tax concessions at the time of accrual may be provided @ 20% on investment upto Rs. 60,000. The Report of the Committee is available on the official website of the Ministry of Finance.

The interests of the small investors are safeguarded by offering implicit sovereign guarantee in additon to attractive returns, tax benefits, liquidity and accessibility in regard to the small savings schemes.

Development of infrastructure for tourism

*313. PROF. M. SANKARALINGAM : Will the Minister of TOURISM AND CULTURE be pleased to state :

(a) the details of projects sanctioned for the development of infrastructure in the field of tourism since January, 2001, State-wise;

(b) the allocations made for such projects in the current budget; and

(c) whether any time-frame has been set for the completion of such projects?

THE MINISTER OF TOURISM AND CULTURE (SHRI JAGMOHAN) : (a) The Department of Tourism, Government of India in consultation with State Governments/UT Administrations has sanctioned 237 projects for an amount of Rs. 59.72 crores since January, 2001 for the development of tourism infrastructure in the country. A statement showing number of projects sanctioned and amount released is given *(See* below*)*.

(b) During the year 2001-2002 a budget provision of Rs. 54.65 Crores has been made for development of infrastructure in the country. This amount will be released for the projects sanctioned during current financial year as well as for the ongoing projects based on receipt of utilisation certificate etc.

(c) As per the existing Guideline of Central Financial Assistance the State Governments/UT Administrations are expected to complete the projects within 30 months.